

**CITY OF MORGAN HILL
SPECIAL CITY COUNCIL MEETING
MINUTES – MAY 19, 2004**

CALL TO ORDER

Mayor Kennedy called the special meeting to order at 5:02 p.m.

ROLL CALL ATTENDANCE

Present: Council Members Carr, Chang, Sellers, Tate and Mayor Kennedy

DECLARATION OF POSTING OF AGENDA

City Clerk Torrez certified that the meeting's agenda was duly noticed and posted in accordance with Government Code 54954.2.

OPPORTUNITY FOR PUBLIC COMMENT

Mayor/Chairman Kennedy opened the Closed Session items to public comment. No comments were offered.

1. COYOTE VALLEY SPECIFIC PLAN DEVELOPMENT – MORGAN HILL AND SOUTH COUNTY PARTICIPATION

Contract Planner Bischoff addressed the process.

Mayor Kennedy indicated that two members of the Coyote Valley Specific Plan Task Force were in attendance: Russ Danielson and Santa Clara County Supervisor Don Gage.

Supervisor Gage said that three issues were not adequately addressed at the Task Force meeting: Traffic; greenbelt; and addressing citizens concerns. He felt that the plan was too aggressive. He said that there were a lot of questions raised by citizens. He said that input is being received, but not being addressed at this time.

Mayor Kennedy indicated that the City of Morgan Hill held a meeting with the City of San Jose Planning staff in order to address the City's concerns. He requested that individuals in attendance address their concerns to determine what common threads exist within the group.

Steve Kinsella, Gavilan College President, indicated that the Coyote Valley Specific Plan (CVSP) would create a college population base far north from the Gilroy campus site. He felt that this area will grow large enough and will need a full campus. He stated that Gavilan College will be in Coyote Valley and that the College is looking toward purchasing land. He said that he is interested in working with the City of San Jose to incorporate Gavilan's plans. He noted that the citizens have approved bond funding, which would help pay for a new campus.

Mayor Pro Tempore Sellers said that the citizens of Morgan Hill, Hollister and Gilroy voted for a bond measure. He inquired whether south county bond funds will be spent in San Jose.

Mr. Kinsella he said that when this area develops out, there will be expectations that Gavilan College provide educational services. He said that there are State bond funds to help with expansion costs.

George Panos, Morgan Hill Unified School District Board (MHUSD) Chairman, said that land allocation for schools, transportation, and whether development impact fees will be adequate to build facilities are the School District's concerns.

Dr. Carolyn McKennan, MHUSD Superintendent, expressed concern with the information received relative to the size of schools and the reduced number of acres allocated per school. She was also concerned that increased urban standards anticipated were being used for a more suburban school district. She indicated that there has been discussion of a multi story school facility. She stated that the school district needs to be involved in the school planning process. It is important to know what developer fees will be generated and whether they will cover construction costs.

Shelle Thomas, MHUSD Vice-chair, stated that the MHUSD is looking at an organizational approach. She felt that the more information one can obtain, the better off everyone will be. She questioned the feasibility of State funds alone to cover costs and was concerned about the impact development of Coyote Valley would have on the community.

Paul Correa, City of Gilroy Council Member, expressed concern with the following: impacts to the housing market, traffic, improvements to the freeway, and air quality which will be worse in the entire county. He would like this group to be involved in the decision making process. He noted that both Gilroy and Morgan Hill are growth control cities. He stated that jobs and housing need to be developed simultaneously so that development in Coyote Valley does not impact other communities. He also questioned the willingness of the City of San Jose to listen to our concerns.

Melissa Durkin, City of Gilroy Planning Staff Member, also expressed concern with the impact development of Coyote Valley would have on housing in Gilroy. She wanted to make sure that the City of San Jose meets housing needs, and that their proposed housing program is reviewed critically.

Supervisor Gage addressed the following: 1) Traffic Impacts – Coyote Valley Specific Plan proposes 80,000+ citizens which will have a great impact to roads. Citizens will utilize Highway 101, Monterey Road and Santa Teresa Boulevard to access the valley. He expressed his doubts regarding the base assumption that 80% of trips would be coming from the north. He stated that individuals would be utilizing interior roads, resulting in more traffic and impact to county roads. He recommended that a traffic impact fee be initiated by cities/County in order to have funds to fix roads. Transportation is a big issue because the City of San Jose proposes a walkable community. He said that a significant number of individuals will require bus service. 2) Housing – Individuals will move south to purchase homes, impacting the Cities of Morgan Hill and Gilroy as well as Santa Cruz, San Benito and Monterey Counties. 3) Parks will be impacted- He noted that every agency is experiencing financial constraints with further cuts possible, with Parks/Recreation typically being the first to be cut. 4) Education – He expressed the need to plan for educational facilities and provide adequate funding.

Alex Kennett, Open Space Authority, expressed concerned with the preservation of wildlife and open space issues. He felt that it was important that the hillsides of Coyote Valley remain undeveloped. He recommended that an environmental review be included. Development should complement Morgan Hill's greenbelt and urban limit proposals. He felt that quality of life issues should be addressed.

Connie Ludewig, San Martin Neighborhood Association, expressed concern with traffic, increased impacts to the aquifers, and impacts to aesthetics of the area and overall quality of life.

Wendy Rooney, City of Gilroy Community Development Director, expressed concern about traffic impacts that would spread to South County. She indicated that community members are moving to Los Banos and Watsonville in order to afford to purchase a home. She inquired whether the focus group should be expanded to include representative of adjacent counties.

Mr. Bischoff addressed the City of Morgan Hill concerns as follows: 1) traffic impacts in light of 50,000 jobs and 25,000 housing units being proposed; 2) Housing to be developed concurrently with the creation of jobs, including affordability; 3) schools will need to be provided concurrently with or in advance to housing being developed; 4) develop a strategy to ensure that greenbelts remain undeveloped; 5) medical facility – Morgan Hill would like the opportunity to reopen an acute hospital; and 7) regional commercial needs of Coyote Valley residents can be accommodated by lands appropriately zoned in Morgan Hill. There is a concern with the types of potential commercial development in Coyote Valley.

Supervisor Gage stated that he suspects that individuals who will be vying for the jobs in Coyote Valley will be individuals who currently work in Silicon Valley and live south of Coyote Valley. They will apply for these job in order to work closer to home.

Associate Planner Tolentino addressed the common concerns expressed by the group, including traffic and financing.

Mr. Bischoff addressed six possible alternatives for participation in the process. 1) Request membership on Task Force. He indicated that the City of Morgan Hill has asked to be allowed to participate and has been denied twice; 2) Increase participation in Coyote Valley meetings; 3) Request regular meetings with San Jose Staff (enhanced outreach). He said that a City of San Jose representative has indicated that they would be willing to do so; 4) Request regular meetings with South County representatives who serve on the Task Force; 5) Draft formal comments to the Task Force at appropriate stages of Specific Plan development; 6) Request adequate time be provide meaningful comments. He said that the process has been moving very quickly and that the timeline does not allow meaningful dialogue.

Supervisor Gage said that he would be willing to champion South County's concerns at the Board level. He said that it would be helpful to have regular communication from all agencies to ensure that concerns and comments become part of the record. He felt that the issues of the community need to be addressed. He said the more the South County representatives communicate with him the more he would communicate to the task force.

Mayor Pro Tempore Sellers stated that it was exciting to see everyone come together on this issue, and felt that the South County concerns need to be heard. He requested that Supervisor Gage relay to the Task Force how concerned South County is about the Coyote Valley Specific Plan.

Mayor Kennedy felt that the purpose of this group is to find a way to bring all interests together and develop a list of comments that the Task Force should consider. He felt that formation of a working group would be an appropriate approach to take.

MHUSD Vice-chair Thomas said that it would be important to have access to the City of San Jose's consultants (e.g., market analysis, economic planning, etc.). This would allow corrections to be made as the process moves forward.

Mayor Kennedy stated that he met with Mayor Gonzales this morning and that he has offered to meet with a subcommittee of this group or a representative of this group. He felt that this was a good faith effort on Mayor Gonzales' part, one that is appreciated. A future step would be to identify a subcommittee who would represent this group. This does not mean that individual interests could not be pursued. He said that the City of Morgan Hill has had a good response from the City of San Jose Planning Department. He said that there are three layers in the process: San Jose Planning Staff, Coyote Valley Specific Plan (CVSP) Task Force, and the City of San Jose City Council. He felt that as a group, we would have a better chance to have our concerns addressed at the highest level.

Supervisor Gage noted that this type of development will require expansion of the sewer plant, impacting wildlife. The City of San Jose will be forced to work with responsible agencies and participate in the Habitat Conservation Plan process. He felt that there are pressure points that will be identified as this is a big environmental issue.

Council Member Tate said that a lot of common issues have been expressed and that an assumption has been made that this development will be self contained which is a false assumption. He felt that it was important for us to challenge these assumptions.

Russ Danielson, Coyote Valley Specific Plan Task Force Member, expressed the importance of all interested parties attending Saturday workshops.

Council Member Carr noted that several individuals attending this meeting feel that issues are important and should be relayed to each member of the Task Force. He requested that the group's common concerns be forwarded to the City of San Jose, requesting that each agency in attendance review and concur with the commonalities before forwarding them to the Task Force.

Mayor Pro Tempore Sellers recommended a follow up meeting be held with Mayor Gonzales, and a decision be made as to the appropriate number of individuals who should meet with him.

Rebecca Van Dalin, South County Realtors, recommended that someone from the real estate board be included in the meetings. She indicated that she has been attending the task force meetings. She expressed concerns as a resident of Morgan Hill, that there is a common belief that MHUSD is just for Morgan Hill and not a larger boundary. She felt that growth and votes will be shifted to San Jose and

that individuals need to realize that this will impact schools. She said that the Task Force has offered a Santa Clara County Realtor Board member a position on the Task Force and that the Realtor Board could also be a voice for South County. She stated she would continue to attend future meetings.

Bob Eltgroth, resident of Morgan Hill, indicated that there have been discussions about traffic into the area but that impact of existing traffic and transportation has not been addressed.

Brian Schmidt indicated that the Committee for Green Foothills has been following growth and would like to be involved with agencies that have environmental concerns. He appreciated Supervisor Gage's candor as to the types of issues that are involved. He inquired whether agencies were willing to litigate environmental issues. He felt that the submittal of formal comments would be important. He said that the only reason the City of San Jose is expediting the process is so that it can be completed before Mayor Gonzales leaves office.

Bob Wilson said that representation on the Technical Advisory Committees would be important. He said that the consultant is looking for input on metrics and size of schools.

Dr. McKennan said that she has provided information at the technical meetings relative to school issues. However, she feels that written comments are more effective.

Jessica Vernon recommended that individuals at this meeting attend the task force meetings as well as the technical meetings. She expressed concern that the basis of this plan is for 50,000+ industrial jobs, 25,000 housing units and 80,000 citizens. Can the acreage accommodate this size of development?

Those in attendance felt that a follow up meeting was in order.

Mayor Kennedy stated that staff will coordinate the scheduling of a follow up meeting.

ADJOURNMENT

There being no further business, Mayor Kennedy adjourned the meeting at 5:59 p.m.

MINUTES RECORDED AND PREPARED BY:

IRMA TORREZ, CITY CLERK